

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 18, 2018

Mr. Stephen Wassell (swassell@southernco.com)
VP Storage Peaking & Ops
Southern Company
10 Peachtree Place NE, Suite 1000
Atlanta, GA 20209

GI-2018-11-CVS-39

SUBJECT: General Order 112-F Gas Inspection of Central Valley Gas Storage

Dear Mr. Wassell:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Central Valley Gas Storage (CVGS) on November 5 – 8, 2018. The inspection included a review of CVGS's records for the period of 2015 through 2017, as well as a representative field sample of the CVGS's facilities. SED staff also reviewed the CVGS's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the Attached Post-Inspection Written Preliminary Findings (Summary) section of this letter. The Summary reflects only those particular records and pipeline facilities that SED inspected during the inspection.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by CVGS to address the violations and observations noted in the Summary.

If you have any questions, please contact Wai Yin (Franky) Chan at (415) 703-2482 or by email at Wai-Yin.Chan@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

cc: Robert Cornell, CVGS Director – Western Region Storage (rcornell@southernco.com)
Dennis Chappell, CVGS Manager – Storage Ops (dchappell@southernco.com)
Kelly Dolcini, SED
Dennis Lee, SED

Post-Inspection Written Preliminary Findings

Dates of Inspection: 11/5/2018 – 11/8/2018

Operator: CENTRAL VALLEY GAS STORAGE, LLC

Operator ID: 32603 (primary)

Inspection Systems: Central Valley Gas Storage

Assets (Unit IDs): Central Valley Gas Storage (39)

System Type: GT

Inspection Name: CVGS Comprehensive Standard Transmission

Lead Inspector: Wai-Yin Chan

Operator Representative: Dennis Chappell

Unsatisfactory Results

1. Facilities and Storage : Compressor Station System Protection (FS.CSSYSROT)

Question Text Do records document that all compressor station gas detection and alarm systems are being maintained and tested as required?

References 192.709(c) (192.736(c))

Assets Central Valley Gas Storage (86918 (39))
Covered

Issue Title 49 CFR §192.605(a) states in part:
Summary *"Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response."*

CVGS's Procedure 10.03, Compressor Station Gas Detection and Alarm System, Section 7.1, states:

"Record results of all gas detection and alarm system tests on Form 10.03A."

SED reviewed CVGS's gas detection and alarm system tests records and found that CVGS did not use Form 10.03A to record the tests in 2015, 2016, and 2017. However, CVGS was able to provide supporting documents to demonstrate that these tests were done in each year.